

# State Notes

## TOPICS OF LEGISLATIVE INTEREST

### January/February 2004



#### **A Discussion of Intermediate School Districts (ISDs)** **By Kathryn Summers-Coty, Fiscal Analyst**

---

Recent newspaper investigative reports have triggered legislative interest in intermediate school districts, often referred to as ISDs. This article defines an ISD, provides basic factual information on ISDs statewide, discusses taxing authority and range of duties, and presents board member election information. Finally, a brief discussion of recently introduced legislation related to ISDs is included.

An intermediate school district is a public agency that may educate pupils; provide for the safety and welfare of pupils; acquire or construct facilities; hire, supervise, or terminate employees; and receive, invest, or borrow money. There are 57 ISDs in Michigan, created in 1962, when the State's 83 county school districts were reorganized as ISDs. More recently, some ISDs have been renaming themselves as regional education service agencies (RESAs) or districts (RESDs). Every local school district belongs to an ISD, and therefore each ISD has "constituent school districts".

While each ISD's functions vary from the others, a common thread linking nearly all lies in Special Education and Vocational Education services. Often, an ISD will operate a "center program" for special education students, particularly those students with extreme or rare disabilities. This "center program", then, educates those students in any of the local school districts who are constituents of the ISD.

The same can hold true with Vocational Education programs. The ISD, with a central location, may offer training to any constituent students to prepare them for entering a field immediately upon graduation.

Sometimes, ISDs partner with one or more of their constituent districts to operate State-funded programs, or they may run the programs separately. Examples of such School Aid programs include School Readiness (pre-school for at-risk 4-year-olds), Adult Education, Math and Science Centers, Court-Placed Pupils (educating pupils placed in the setting by the courts), and Bus Driver Safety education.

Services provided by ISDs also can include administrative functions. Often, small local school districts may not have the budget or personnel needed to handle items such as payroll or purchasing, and may contract with the ISD to provide these services. In fact, the Revised School Code requires an ISD to provide management services upon request of the board of a constituent district, though the ISD may charge the district for such services provided. Discretionary ISD duties listed in the School Code include participation in cooperative programs for information technology systems; provision of school improvement support services, distance learning, and transportation services; and operation of an educational recreation program. Each ISD's array of services reflects the needs of its constituent districts, and therefore each is different.

All ISDs receive operational funding (i.e., funding whose use is not prescribed) under Section 81 of the School Aid Act. In addition, with voter approval, an ISD may levy operational millage up to 1.5 times the number of mills allocated to the ISD in 1993 for operations. The

**State Notes**  
TOPICS OF LEGISLATIVE INTEREST  

---

January/February 2004



ISD also may ask voters to approve millage requests for special education and vocational education. Statewide, all ISDs are currently levying operating and special education millages, and 31 out of the 57 are levying vocational education millages. Intermediate school districts are also eligible for State millage equalization funding appropriated in the School Aid Act, if the local funding received under either special or vocational education mills does not meet a prescribed threshold.

Each intermediate school district is under the supervision and control of an intermediate school board. At this time, an ISD may choose whether its board members are elected by popular election, or whether they are elected by a group composed of one member of each of the boards of constituent districts. Each ISD board member's term is six years; vacancies are appointed by the remaining members of the ISD board until the next biennial election. Each ISD has a superintendent who is hired by the ISD board.

Recently introduced legislation pertaining to ISDs is described below:

- Senate Bill (S.B.) 837 and House Bill (H.B.) 5043 would provide a recall procedure for ISD board members.
- H.B. 4338 would require all ISD board members to be elected via popular elections.
- H.B. 4935 would allow intermediate school electors to vote for the removal of an ISD board and for the appointment of a reform board for the ISD under certain circumstances.
- S.B. 643 and H.B. 4947 would require public disclosure of school boards' voting preferences for ISD board members.
- H.B. 5108 would require the reporting of any conflict of interest by ISD employees or administrators.
- H.B. 5457 would require the Department of Treasury to conduct random financial audits of ISDs.
- H.B. 5458 would require constituent districts to approve their ISD's budget.
- H.B. 5475 would require the Department of Education to operate an internet-accessible database regarding certain ISD expenditures.